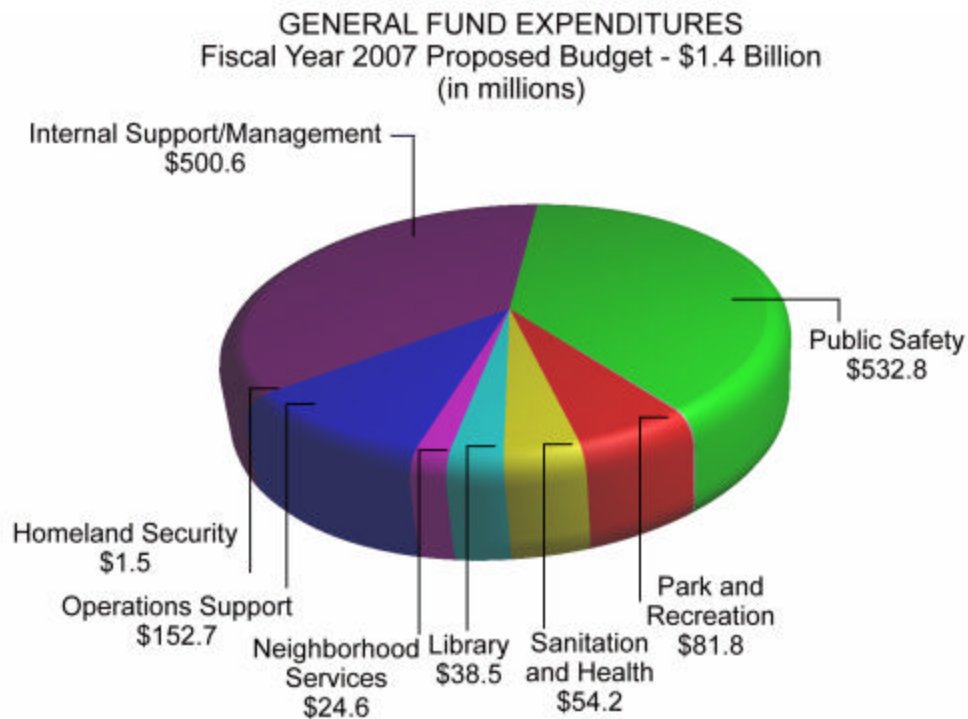


General Fund Expenditures



The City of San Diego's Total Combined Fiscal Year 2007 Proposed Budget reflects revenues and expenditures equaling **\$3.0 billion**. The Fiscal Year 2007 Proposed Budget for the General Fund is **\$1,387.1 million**, which represents approximately **45.7 percent** of the overall budget.

General Fund Operating Center	Positions	Personnel Expense	Non-Personnel Expense	Fiscal Year 2007 Proposed
Business Support and Services	88.25	\$ 7,691,174	\$ 427,824,861	\$ 435,516,035
Chief Operations Officer	17.50	\$ 2,830,784	\$ 161,394	\$ 2,992,178
Community and Legislative Services	29.00	\$ 3,561,755	\$ 1,412,070	\$ 4,973,825
Department of Finance	266.95	\$ 23,650,463	\$ 7,856,474	\$ 31,506,937
Ethics and Integrity	11.75	\$ 1,273,626	\$ 432,454	\$ 1,706,080
Land Use and Economic Development	170.25	\$ 15,036,661	\$ 2,939,141	\$ 17,975,802
Mayor	2.00	\$ 178,817	\$ 50,802	\$ 229,619
Neighborhood and Customer Services	1326.91	\$ 87,395,413	\$ 47,271,465	\$ 134,666,878
Non-Mayoral	544.60	\$ 53,765,569	\$ 4,409,821	\$ 58,175,390
Public Safety	3997.66	\$ 467,186,558	\$ 67,897,640	\$ 535,084,198
Public Works	1011.05	\$ 85,054,138	\$ 79,225,808	\$ 164,279,946
Total	7465.92	\$ 747,624,958	\$ 639,481,930	\$ 1,387,106,888

At a Glance

General Fund Expenditures

Departments within the General Fund provide and maintain essential core community services such as **public safety, park and recreation, library services, refuse collection** and other vital support functions. These core services are primarily provided with major revenue sources that include Property Tax, Sales Tax, Transient Occupancy Tax, and franchise fees. The amount of revenue that is expected to be received in the upcoming fiscal year determines the amount that can be expended. The General Fund Fiscal Year 2007 Proposed Budget increase is supported by revenue growth, supplemental revenue, and issuance of Pension Obligation Bonds (POBs).



The General Fund Fiscal Year 2007 Proposed Budget is \$1,387.1 million which represents an increase of \$522.2 million, or a 60.4 percent increase from the Fiscal Year 2006 Annual Budget. The \$522.2 million increase includes

supplemental expenses that were not budgeted in the previous fiscal year, the issuance of Pension Obligation Bonds (POBs) and salary and fringe savings generated by the vacancy savings factor. The vacancy savings factor is basically the difference between the full-appropriated cost and the actual cost of authorized personnel expenses during a budget year.



Public safety funding continues to receive the highest priority. The budgets for the Police and San Diego Fire-Rescue Departments are proposed to increase by 6.75 percent combined in Fiscal Year 2007.

General Fund Budget Changes



In order to categorize the changes between Fiscal Years 2006 and 2007, Significant Budget Adjustments are shown in the following table. Below is a description of each category depicted in the table.

Salary and Benefit Adjustment: Adjustment to reflect the annualization of the Fiscal Year 2006 negotiated salary compensation schedule, negotiated salaries and benefits, changes to average salaries, and other salary and benefit compensation.

Supplemental Information: Adjustments to include expenditures and revenues that have not been included in the budget over the past years. Information includes all supplemental positions, personnel expenses (PE), non-personnel expenses (NPE) and revenues that existed in Fiscal Year 2006 and are expected to continue in Fiscal Year 2007.

Vacancy Savings: Adjustments that reduce the funding of personnel expenses due to vacant and/or underfilled positions, salary step savings, and any other circumstances that might contribute to personnel expense savings. The vacancy savings adjustments do not reduce positions.

Non-Discretionary: Adjustments to reflect expenses that are determined outside of the Departments' direct control; however, departments are consistently reminded to conserve these expenditures when appropriate and possible. Examples of these adjustments include utilities, insurance, rent, and information technology. Funding for information technology is allocated according to a zero based annual review of information technology funding requirements and priority analysis.

Restructure/Transparency: Adjustments to reflect the new structure of the City to improve the focus of resources and allow clearer accountability.

Other Department Adjustments: Adjustments to reflect other budget requests, such as additions, reductions, restorations, annualizations of new facilities, and transfers. Significant adjustments are explained in detail in this section.

General Fund Budget Changes

	Salary and Benefit Adjustments	Supplemental	Information	Vacancy	Savings	Non-Discretionary	Restructure/ Transparency	Other Department Adjustments	Total
Business & Grant Administration									
Positions	-		-		-	-	10.25	-	10.25
PE	\$ -	\$ -	\$ -		\$ -	\$ -	904,975	\$ -	904,975
NPE	\$ -	\$ -	\$ -		\$ -	\$ -	103,616	\$ -	103,616
Total	\$ -	\$ -	\$ -		\$ -	\$ -	1,008,591	\$ -	1,008,591
Business & Support Services									
Positions	-		-		-	-	8.00	-	8.00
PE	\$ -	\$ -	\$ -		\$ -	\$ -	862,949	\$ -	862,949
NPE	\$ -	\$ -	\$ -		\$ -	\$ -	206,851	\$ -	206,851
Total	\$ -	\$ -	\$ -		\$ -	\$ -	1,069,800	\$ -	1,069,800
Chief Operating Office									
Positions	-		2.00		-	-	13.50	-	15.50
PE	\$ 71	\$ 155,140	\$ -		\$ -	\$ -	2,243,925	\$ -	2,399,136
NPE	\$ -	\$ -	\$ -		\$ -	\$ 46,533	76,212	\$ -	122,745
Total	\$ 71	\$ 155,140	\$ -		\$ -	\$ 46,533	2,320,137	\$ -	2,521,881
Citizens' Assistance									
Positions	-		-		-	-	(4.00)	-	(4.00)
PE	\$ 2,431	\$ 3,647	\$ -		\$ -	\$ -	(318,904)	\$ -	(312,826)
NPE	\$ -	\$ -	\$ -		\$ -	\$ 40	(40,348)	\$ -	(40,308)
Total	\$ 2,431	\$ 3,647	\$ -		\$ -	\$ 40	(359,252)	\$ -	(353,134)
City Attorney									
Positions	-		9.11		-	-	-	-	9.11
PE	\$ 2,368,499	\$ 1,009,428	\$ -		(1,257,519)	\$ -	-	\$ -	2,120,408
NPE	\$ -	\$ -	\$ -		\$ -	(11,075)	-	\$ -	(11,075)
Total	\$ 2,368,499	\$ 1,009,428	\$ -		(1,257,519)	(11,075)	-	\$ -	2,109,333
City Auditor and Comptroller									
Positions	-		8.18		-	-	1.00	-	9.18
PE	\$ 88,061	\$ 1,204,262	\$ -		(689,817)	\$ -	115,393	\$ -	717,899
NPE	\$ -	\$ -	\$ -		\$ -	\$ 83,579	2,314,942	\$ -	2,398,521
Total	\$ 88,061	\$ 1,204,262	\$ -		(689,817)	\$ 83,579	2,430,335	\$ -	3,116,420
City Clerk									
Positions	-		-		-	-	-	-	-
PE	\$ 183,809	\$ -	\$ -		(22,264)	\$ -	-	\$ -	161,545
NPE	\$ -	\$ -	\$ -		\$ -	199,759	-	\$ -	199,759
Total	\$ 183,809	\$ -	\$ -		(22,264)	199,759	-	\$ -	361,304
City Council									
Positions	-		-		-	-	1.00	11.00	12.00
PE	\$ 763,465	\$ -	\$ -		\$ -	\$ -	114,964	\$ 1,291,565	2,169,994
NPE	\$ -	\$ -	\$ -		\$ -	\$ 61,787	559,694	\$ 224,937	846,418
Total	\$ 763,465	\$ -	\$ -		\$ -	\$ 61,787	674,658	\$ 1,516,502	3,016,412
City Treasurer									
Positions	-		8.00		-	-	(0.42)	(5.00)	2.58
PE	\$ 91,324	\$ 642,127	\$ -		(54,654)	\$ -	(68,799)	\$ (612,133)	(2,135)
NPE	\$ -	\$ 187,000	\$ -		\$ -	\$ 242,222	-	\$ -	429,222
Total	\$ 91,324	\$ 829,127	\$ -		(54,654)	\$ 242,222	(68,799)	\$ (612,133)	427,087
Citywide Program Expenditures									
Positions	-		-		-	-	(11.00)	-	(11.00)
PE	\$ (11,015)	\$ -	\$ -		\$ -	\$ -	(1,102,157)	\$ (356,700)	(1,469,872)
NPE	\$ -	\$ -	\$ -		\$ -	\$ 2,896,874	(24,716,754)	\$ 388,117,358	366,297,478
Total	\$ (11,015)	\$ -	\$ -		\$ -	\$ 2,896,874	(25,818,911)	\$ 387,760,658	364,827,606
Community & Legislative Services									
Positions	-		2.00		-	-	20.00	-	22.00
PE	\$ -	\$ 234,664	\$ -		(17,191)	\$ -	2,410,245	\$ -	2,627,718
NPE	\$ -	\$ -	\$ -		\$ -	\$ -	1,015,815	\$ -	1,015,815
Total	\$ -	\$ 234,664	\$ -		(17,191)	\$ -	3,426,060	\$ -	3,643,533
Community and Economic Development									
Positions	-		30.95		-	-	(10.67)	1.00	21.28
PE	\$ 4,132	\$ 2,730,324	\$ -		(375,517)	\$ -	(819,731)	\$ 120,609	1,659,817
NPE	\$ -	\$ -	\$ -		\$ -	\$ 156,503	5,574,088	\$ (356,083)	5,374,508
Total	\$ 4,132	\$ 2,730,324	\$ -		(375,517)	\$ 156,503	4,754,357	\$ (235,474)	7,034,325
Customer Services									
Positions	-		-		-	-	18.00	-	18.00
PE	\$ -	\$ -	\$ -		(6,769)	\$ -	1,349,971	\$ -	1,343,202
NPE	\$ -	\$ -	\$ -		\$ -	\$ -	523,686	\$ -	523,686
Total	\$ -	\$ -	\$ -		(6,769)	\$ -	1,873,657	\$ -	1,866,888

General Fund Budget Changes

	Salary and Benefit Adjustments	Supplemental Information	Vacancy Savings	Non-Discretionary	Restructure/ Transparency	Other Department Adjustments	Total
Engineering and Capital Projects							
Positions	-	48.50	-	-	(11.46)	-	37.04
PE	\$ 255,578	\$ 3,971,616	\$ (186,713)	\$ -	\$ (758,602)	\$ -	\$ 3,281,879
NPE	\$ -	\$ (94,032)	\$ -	\$ 329,003	\$ (66,850)	\$ -	\$ 168,121
Total	\$ 255,578	\$ 3,877,584	\$ (186,713)	\$ 329,003	\$ (825,452)	\$ -	\$ 3,450,000
Environmental Services							
Positions	-	2.20	-	-	(0.02)	-	2.18
PE	\$ 325,700	\$ 172,625	\$ (313,224)	\$ -	\$ (4,999)	\$ -	\$ 180,102
NPE	\$ -	\$ 368,085	\$ -	\$ 1,973,130	\$ -	\$ 200,000	\$ 2,541,215
Total	\$ 325,700	\$ 540,710	\$ (313,224)	\$ 1,973,130	\$ (4,999)	\$ 200,000	\$ 2,721,317
Equal Opportunity Contracting							
Positions	-	2.50	-	-	-	-	2.50
PE	\$ 25,909	\$ 210,007	\$ (178,605)	\$ -	\$ -	\$ -	\$ 57,311
NPE	\$ -	\$ -	\$ -	\$ (75,668)	\$ -	\$ -	\$ (75,668)
Total	\$ 25,909	\$ 210,007	\$ (178,605)	\$ (75,668)	\$ -	\$ -	\$ (18,357)
Ethics Commission							
Positions	-	-	-	-	-	-	-
PE	\$ 2,961	\$ -	\$ (137,627)	\$ -	\$ -	\$ -	\$ (134,666)
NPE	\$ -	\$ -	\$ -	\$ (552)	\$ -	\$ -	\$ (552)
Total	\$ 2,961	\$ -	\$ (137,627)	\$ (552)	\$ -	\$ -	\$ (135,218)
Family Justice Center							
Positions	-	-	-	-	-	-	-
PE	\$ 5,221	\$ -	\$ -	\$ -	\$ -	\$ 1,456	\$ 6,677
NPE	\$ -	\$ -	\$ -	\$ 54,901	\$ -	\$ 52,880	\$ 107,781
Total	\$ 5,221	\$ -	\$ -	\$ 54,901	\$ -	\$ 54,336	\$ 114,458
Financial Management							
Positions	-	12.60	-	-	(1.19)	-	11.41
PE	\$ 125,976	\$ 1,265,228	\$ (453,861)	\$ -	\$ (238,584)	\$ -	\$ 698,759
NPE	\$ -	\$ -	\$ -	\$ 124,127	\$ 856,601	\$ -	\$ 980,728
Total	\$ 125,976	\$ 1,265,228	\$ (453,861)	\$ 124,127	\$ 618,017	\$ -	\$ 1,679,487
General Services							
Positions	-	19.75	-	-	317.46	-	337.21
PE	\$ 87,185	\$ 2,115,727	\$ (1,123,761)	\$ -	\$ 24,526,965	\$ 77,000	\$ 25,683,116
NPE	\$ -	\$ 410,000	\$ -	\$ 580	\$ 26,836,031	\$ 590,000	\$ 27,836,611
Total	\$ 87,185	\$ 2,525,727	\$ (1,123,761)	\$ 580	\$ 51,362,996	\$ 667,000	\$ 53,519,727
Governmental Relations							
Positions	-	1.00	-	-	(3.00)	-	(2.00)
PE	\$ (15,084)	\$ 167,185	\$ -	\$ -	\$ (413,887)	\$ -	\$ (261,786)
NPE	\$ -	\$ -	\$ -	\$ 14,669	\$ (316,666)	\$ -	\$ (301,997)
Total	\$ (15,084)	\$ 167,185	\$ -	\$ 14,669	\$ (730,553)	\$ -	\$ (563,783)
Human Resources							
Positions	-	3.00	-	-	18.81	2.00	23.81
PE	\$ 15,595	\$ 285,930	\$ (19,236)	\$ -	\$ 1,227,527	\$ 289,477	\$ 1,799,293
NPE	\$ -	\$ -	\$ -	\$ 11,834	\$ 821,466	\$ -	\$ 833,300
Total	\$ 15,595	\$ 285,930	\$ (19,236)	\$ 11,834	\$ 2,048,993	\$ 289,477	\$ 2,632,593
Library							
Positions	-	7.94	-	-	(0.40)	11.40	18.94
PE	\$ 232,475	\$ 742,334	\$ (443,740)	\$ -	\$ (62,929)	\$ 704,561	\$ 1,172,701
NPE	\$ -	\$ 24,074	\$ -	\$ 226,117	\$ -	\$ 500,990	\$ 751,181
Total	\$ 232,475	\$ 766,408	\$ (443,740)	\$ 226,117	\$ (62,929)	\$ 1,205,551	\$ 1,923,882
Mayor							
Positions	-	-	-	-	(22.00)	(1.00)	(23.00)
PE	\$ 133,592	\$ -	\$ -	\$ -	\$ (2,052,691)	\$ (179,850)	\$ (2,098,949)
NPE	\$ -	\$ -	\$ -	\$ (71,671)	\$ (106,902)	\$ -	\$ (178,573)
Total	\$ 133,592	\$ -	\$ -	\$ (71,671)	\$ (2,159,593)	\$ (179,850)	\$ (2,277,522)
Metropolitan Wastewater							
Positions	-	-	-	-	(0.01)	7.00	6.99
PE	\$ 2,372	\$ -	\$ (10,307)	\$ -	\$ (2,500)	\$ 659,263	\$ 648,828
NPE	\$ -	\$ -	\$ -	\$ (43,073)	\$ -	\$ 10,208,784	\$ 10,165,711
Total	\$ 2,372	\$ -	\$ (10,307)	\$ (43,073)	\$ (2,500)	\$ 10,868,047	\$ 10,814,539
Neighborhood Code Compliance							
Positions	-	15.00	-	-	(0.12)	-	14.88
PE	\$ 38,615	\$ 1,277,007	\$ (327,906)	\$ -	\$ (19,650)	\$ -	\$ 968,066
NPE	\$ -	\$ -	\$ -	\$ 30,417	\$ -	\$ 213,110	\$ 243,527
Total	\$ 38,615	\$ 1,277,007	\$ (327,906)	\$ 30,417	\$ (19,650)	\$ 213,110	\$ 1,211,593
Office of Ethics & Integrity							
Positions	-	-	-	-	7.00	-	7.00
PE	\$ -	\$ 15,000	\$ -	\$ -	\$ 776,380	\$ -	\$ 791,380
NPE	\$ -	\$ 127,227	\$ -	\$ -	\$ 252,265	\$ -	\$ 379,492
Total	\$ -	\$ 142,227	\$ -	\$ -	\$ 1,028,645	\$ -	\$ 1,170,872
Office of Homeland Security							
Positions	-	10.80	-	-	(1.00)	-	9.80
PE	\$ 6,954	\$ 1,085,071	\$ (7,503)	\$ -	\$ (224,298)	\$ -	\$ 860,224
NPE	\$ -	\$ 80,492	\$ -	\$ 34,217	\$ -	\$ -	\$ 114,709
Total	\$ 6,954	\$ 1,165,563	\$ (7,503)	\$ 34,217	\$ (224,298)	\$ -	\$ 974,933
Office of the CIO							
Positions	-	-	-	-	-	-	-
PE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NPE	\$ -	\$ -	\$ -	\$ -	\$ 12,594,392	\$ -	\$ 12,594,392
Total	\$ -	\$ -	\$ -	\$ -	\$ 12,594,392	\$ -	\$ 12,594,392

General Fund Budget Changes

	Salary and Benefit Adjustments	Supplemental Information	Vacancy Savings	Non-Discretionary	Restructure/ Transparency	Other Department Adjustments	Total
Park & Recreation							
Positions	-	13.68	-	-	3.22	-	16.90
PE	\$ 773,164	\$ 1,778,670	\$ (1,572,347)	\$ -	\$ 33,729	\$ -	\$ 1,013,216
NPE	\$ -	\$ 5,715	\$ -	\$ 711,586	\$ 290,554	\$ 881,759	\$ 1,889,614
Total	\$ 773,164	\$ 1,784,385	\$ (1,572,347)	\$ 711,586	\$ 324,283	\$ 881,759	\$ 2,902,830
Personnel							
Positions	-	8.50	-	-	1.00	-	9.50
PE	\$ 8,328	\$ 786,879	\$ (40,046)	\$ -	\$ 68,534	\$ -	\$ 823,695
NPE	\$ -	\$ 109,000	\$ -	\$ 24,319	\$ 131,582	\$ -	\$ 264,901
Total	\$ 8,328	\$ 895,879	\$ (40,046)	\$ 24,319	\$ 200,116	\$ -	\$ 1,088,596
Planning							
Positions	-	6.25	-	-	(0.18)	(2.50)	3.57
PE	\$ 5,226	\$ 657,546	\$ (621,170)	\$ -	\$ (29,478)	\$ (255,450)	\$ (243,326)
NPE	\$ -	\$ -	\$ -	\$ 50,455	\$ -	\$ -	\$ 50,455
Total	\$ 5,226	\$ 657,546	\$ (621,170)	\$ 50,455	\$ (29,478)	\$ (255,450)	\$ (192,871)
Police							
Positions	-	46.00	-	-	-	30.00	76.00
PE	\$ 422,362	\$ 4,185,005	\$ (16,777,644)	\$ -	\$ -	\$ 15,509,173	\$ 3,338,896
NPE	\$ -	\$ 2,225,000	\$ -	\$ 3,024,593	\$ 14,916,738	\$ 691,643	\$ 20,857,974
Total	\$ 422,362	\$ 6,410,005	\$ (16,777,644)	\$ 3,024,593	\$ 14,916,738	\$ 16,200,816	\$ 24,196,870
Public and Media Affairs							
Positions	-	-	-	-	(1.00)	-	(1.00)
PE	\$ (206)	\$ -	\$ -	\$ -	\$ (156,765)	\$ -	\$ (156,971)
NPE	\$ -	\$ -	\$ -	\$ (10,896)	\$ (47,398)	\$ -	\$ (58,294)
Total	\$ (206)	\$ -	\$ -	\$ (10,896)	\$ (204,163)	\$ -	\$ (215,265)
Public Safety							
Positions	-	-	-	-	2.00	-	2.00
PE	\$ -	\$ -	\$ -	\$ -	\$ 216,024	\$ -	\$ 216,024
NPE	\$ -	\$ -	\$ -	\$ -	\$ 2,262,286	\$ -	\$ 2,262,286
Total	\$ -	\$ -	\$ -	\$ -	\$ 2,478,310	\$ -	\$ 2,478,310
Purchasing & Contracting							
Positions	-	-	-	-	12.00	-	12.00
PE	\$ -	\$ -	\$ (9,306)	\$ -	\$ 904,948	\$ -	\$ 895,642
NPE	\$ -	\$ -	\$ -	\$ -	\$ 375,783	\$ -	\$ 375,783
Total	\$ -	\$ -	\$ (9,306)	\$ -	\$ 1,280,731	\$ -	\$ 1,271,425
Real Estate Assets							
Positions	-	1.00	-	-	(0.08)	-	0.92
PE	\$ 25,900	\$ 87,040	\$ (23,860)	\$ -	\$ (12,587)	\$ -	\$ 76,493
NPE	\$ -	\$ -	\$ -	\$ 517,072	\$ -	\$ 208,955	\$ 726,027
Total	\$ 25,900	\$ 87,040	\$ (23,860)	\$ 517,072	\$ (12,587)	\$ 208,955	\$ 802,520
San Diego Fire-Rescue							
Positions	-	10.30	-	-	-	9.73	20.03
PE	\$ 3,918,614	\$ 4,170,538	\$ (11,231,800)	\$ -	\$ -	\$ 9,411,603	\$ 6,268,955
NPE	\$ -	\$ 1,100,000	\$ -	\$ (729,807)	\$ 1,629,458	\$ 1,089,696	\$ 3,089,347
Total	\$ 3,918,614	\$ 5,270,538	\$ (11,231,800)	\$ (729,807)	\$ 1,629,458	\$ 10,501,299	\$ 9,358,302
Special Projects							
Positions	-	-	-	-	(1.02)	-	(1.02)
PE	\$ (1,611)	\$ -	\$ -	\$ -	\$ (177,924)	\$ -	\$ (179,535)
NPE	\$ -	\$ -	\$ -	\$ 10,663	\$ -	\$ -	\$ 10,663
Total	\$ (1,611)	\$ -	\$ -	\$ 10,663	\$ (177,924)	\$ -	\$ (168,872)
Fund Total							
Positions	-	269.26	-	-	368.67	61.63	699.56
PE	\$ 9,885,603	\$ 28,953,000	\$ (35,902,387)	\$ -	\$ 29,494,216	\$ 26,660,574	\$ 59,091,006
NPE	\$ -	\$ 4,542,561	\$ -	\$ 9,882,238	\$ 46,047,142	\$ 402,624,029	\$ 463,095,970
Total	\$ 9,885,603	\$ 33,495,561	\$ (35,902,387)	\$ 9,882,238	\$ 75,541,358	\$ 429,284,603	\$ 522,186,976

Highlights of other department budget changes are provided below:

City Council

- (\$89,761) Reduction to equalize the eight Council Districts' appropriations.
- \$80,292 Funding for non-personnel expenses.
- \$1,293,902 addition of 9.00 positions for new Office of the Independent

Budget Analyst, created due to the Strong Mayor Transition.

- \$112,105 Funding for the transfer of 1.00 Council Representative from the Mayor's Office to the Council Administration Department.
- \$114,964 Addition of 1.00 Council Representative position for the Strong Mayor Transition.

General Fund Budget Changes

City Treasurer

- (\$681,914) Reduction of 6.00 positions that were allocated to support the Disclosures Practices Working Group.
- 69,866 Funding for the transfer of 1.00 Senior Account Clerk from the City Treasurer Special Districts Administration Fund.

Citywide Program Expenditures

- (\$2,500,000) One-time expense reduction for the Mayoral Special Election in Fiscal Year 2006.
- \$3,146,400 Funding for Public Liability increases.
- \$360,000 One-time expenditure funding for Fiscal Year 2007 election.
- \$374,000,000 Funding for Pension solution (\$30 million and remaining \$7.4 million from employee savings leveraged for \$374 million in Pension Obligation Bonds)
- \$2,195,190 Funding for the transfer of revenue to Mission Bay and Regional Park Improvements Funds per Mission Bay Ordinance (O-2003-64) and Municipal Code (22.0229).
- \$10,593,222 Funding for deferred maintenance.

Community and Economic Development

- (\$356,083) Reduction of "6 to 6" Program, retaining mandatory lease agreement.
- \$120,609 Addition of 1.00 Executive Director for the newly approved Gang Commission.

Environmental Services

- \$200,000 Funding for refuse container replacement due to non-warranty losses and new home growth.

Family Justice Center

- \$43,280 Funding for expenses critical to the success of providing resources to domestic violence victims.
- \$9,600 Funding for interrupter service due to an increase in the number of domestic violence victims seeking services.

General Services

- \$40,000 Funding for the scheduled replacement of seven parking enforcement vehicles/scooters.
- \$77,000 Funding for negotiated increase in 3-Wheel Motorcycle special pay.
- \$400,000 Funding to replace 40-year old main potable water line in the City Administration Building.
- \$150,000 Funding to replace the HVAC control system in the World Trade Center building.

Human Resources

- \$289,477 Funding for transfer of 2.00 positions from the Human Resources Special Training Internal Service Fund.

Library

- \$10,000 Funding for the move of the Library's Technical Services Center from 707 B Street to new facilities when the lease expires.
- \$1,194,061 Addition of 11.40 positions and support to operate the expanded Otay-Nestor Branch Library, the College-Rolando Branch Library, and Serra Mesa/Kearny Mesa Branch Library.

Mayor

- (\$131,711) Transfer of 1.00 Council Representative position to the Council

General Fund Budget Changes

Administration Department to cover the cost of a Rules Committee consultant.

Metropolitan Wastewater

- \$86,931 Funding for three year Memorandum of Understanding with other government agencies that participate in the Regional Harbor Monitoring Program.
- \$3,698,843 Addition of 2.00 positions and funding for contractual services for mandated programs.
- \$73,209 Addition of 0.50 positions and funding for the development and implementation of an inspection, enforcement, and database management and reporting components verification program.
- \$3,694,676 Addition of 2.50 positions and funding for the planning, design and implementation of water quality activities and controls in the City's six watersheds.
- \$769,000 Funding for services provided to Metropolitan Wastewater through various Service Level Agreements (SLA).
- \$2,001,385 Addition of 2.00 positions and funding for State mandated "Think Blue" public advocacy and media campaign program.
- (\$346,834) Reduction of engineering service support for the Storm Drain Cost of Service Study with Brown & Caldwell.
- \$20,000 Funding for security services.
- \$680,568 Funding for the development of a Hydromidification Plan.

Neighborhood Code Compliance

- \$213,110 Funding for graffiti removal.

Park and Recreation

- \$111,863 Funding for expenditures related to the Gas Tax allocation.
- \$679,614 Funding to cover increases in contractual obligations.
- \$50,000 Funding for storm water filtration system to meet local Clean Water Act regulations.

Planning

- (\$255,450) Reduction of 0.50 Senior Management Analyst, 1.00 Senior Public Information Officer, and 1.00 Community Development Specialist IV positions.

Police

- \$2,127,050 Restoration of 30.00 Community Service Officers positions.
- \$3,734,923 Funding for special pay requirements.
- \$8,647,200 Funding for overtime requirements.
- \$1,000,000 Funding for pay-in-lieu personnel expense requirements.
- \$691,643 Restoration of equipment outlay funding used to pay 10.00 Community Service Officers in Fiscal Year 2006.

Real Estate Assets

- \$200,000 Funding for consulting services for appraisals and the development of asset management policies.

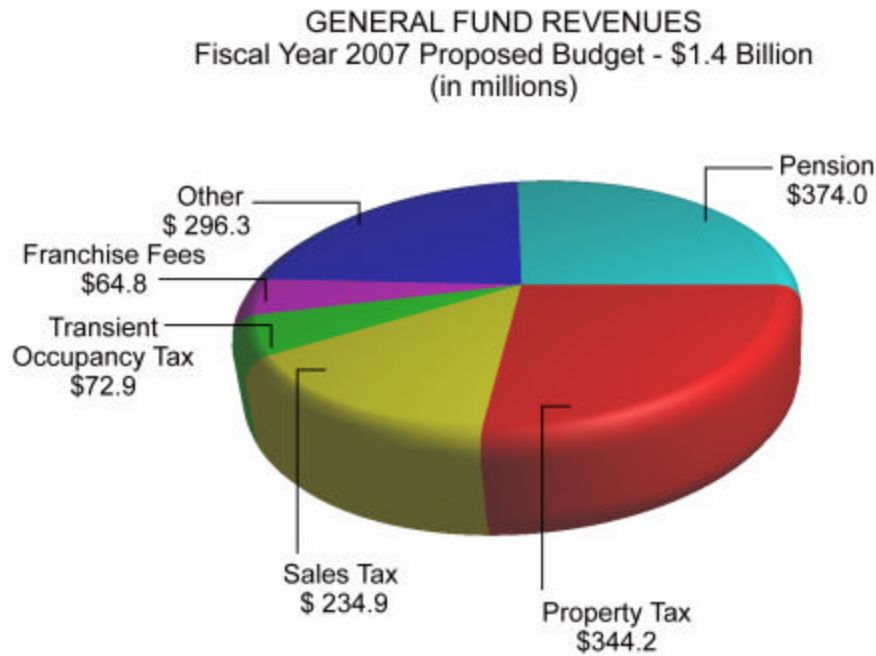
San Diego Fire-Rescue

- (\$1,000,000) One-time expenditure removal for the lifeguard boat dock; Phase 1 added in Fiscal Year 2006.
- \$7,998,660 Budgeted overtime for Lifeguard Oceanfront Operations and Fire Emergency Operations. An

General Fund Budget Changes

- equivalent amount is offset by salary and fringe savings.
- \$1,349,210 Addition of 9.73 positions to fully staff temporary Mission Valley Fire Station 45.
- \$549,400 Funding for Fire Leasing Program.
- \$46,000 Contract inspections for 18 underground fuel storage tanks currently mandated to receive monthly inspections and testing.
- \$82,748 Funding for Surf Camp Concession Enforcement.
- \$247,475 Funding for Marine Fleet Replacement
- \$248,000 Increase for annual helicopter maintenance and repair.
- \$28,933 Funding for FCC Server Blade Replacement Program to upgrade and replace server blades no longer on maintenance agreements.
- \$139,641 Additional funding for contractual CAD and Mobile Data Computer system maintenance costs.
- \$116,779 Funding for the VHF Mobile Radio Replacement.
- \$49,652 Non-personnel supplies and services related to the management of the CERT program.
- \$28,750 Funding for the Helibase Site lease.
- \$88,696 Funding for software maintenance.
- \$47,670 Funding for tool allowances and health and safety equipment covered by the Memorandum of Understanding.
- \$55,000 Funding for training and travel for air operations personnel.
- \$20,000 Funding for materials needed for operations and in-service training and fire academies.
- \$72,755 Funding for the replacement of fire hoses, ladders, and UPS batteries.
- \$110,000 Funding for lifeguard facilities maintenance and headquarters improvements.
- \$82,748 Funding for equipment and personnel expensed for surf camp concessions.
- \$23,000 Funding for rescue and rope equipment and materials.
- \$30,000 Funding for Voice and LAN connectivity infrastructure for the new proposed Air Operations Division facility at Montgomery Field Airport.

General Fund Revenue



by the numbers...



Five major sources: Property Tax, Sales Tax, Transient Occupancy Tax, Pension, and Franchise Fees comprise \$1.09 billion of General Fund revenues.

At a Glance

General Fund Revenue

GENERAL FUND REVENUES
Fiscal Year 2007 Proposed Budget



Property Tax
\$344.2 million



\$.447 - School District
\$.171 - City of San Diego
 \$.157 - San Diego County
 \$.143 - Educational Revenue
 Augmentation Fund (ERAF)
 \$.065 - Community College
 \$.016 - Department of Education
 \$.001 - Water Authority

- Includes repayment of revenue that was contributed to the State in Fiscal Years 2005 and 2006, as a result of a temporary revenue shift (otherwise known as ERAF III shift) from local governments to school districts imposed by the State of California (\$16.9 million)

LARGEST PROPERTY TAXPAYERS

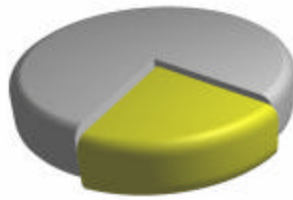
Property Owner	Amount of Tax
E R P Operating LTD Partnership	\$2,194,297.22
Fashion Valley Mall LLC	\$4,763,979.64
GREIT-525 & 600 B St LP	\$1,912,673.76
Hewlett-Packard Co	\$1,674,085.32
Horton Plaza LP	\$2,242,784.06
Irvine Apartment Communities LP	\$1,652,375.46
Irvine Co	\$2,648,012.52
Kilroy Realty LP	\$2,615,515.98
La Cima Development LLC	\$1,915,738.16
Manchester Resorts LP	\$3,794,664.84
Mission Valley Shoppingtown LLC	\$2,136,046.48
National Steel & Shipbuilding Co	\$2,155,547.60
Nobel Court Development	\$2,290,608.08
Novartis Institute	\$1,746,173.76
One America Plaza PT LLC	\$1,960,101.74
Pacific Gateway LTD	\$2,951,411.58
Pfizer Inc	\$6,461,171.94
Qualcomm Inc	\$6,769,141.84
San Diego Ballpark Funding LLC	\$4,256,122.26
San Diego Family Housing LLC	\$3,723,965.56
Sea World Inc	\$3,991,964.82
Solar Turbines Inc	\$1,723,159.18
Summerset Village LLC	\$1,985,718.04
The Copley Press Inc	\$1,827,875.64
University Towne Centre LLC	\$2,283,565.12

Source: San Diego County Assessor's Office

- Property Tax collected by the County Tax Collector as a result of a one percent levy on the assessed property value per Proposition 13 passed in 1979 (\$254.5 million)
- Pays debt on public safety communication system, funds zoological exhibits (additional levy)
- Includes an in-lieu Motor Vehicle License Fee (MVLF) payment as a result of the elimination of MVLF backfill and replacement of MVLF with property tax (\$72.8 million)

General Fund Revenue

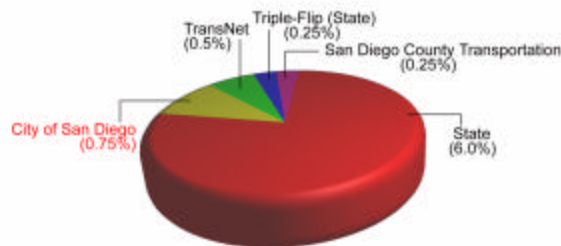
GENERAL FUND REVENUES
Fiscal Year 2007 Proposed Budget



Sales Tax
\$234.9 million



BREAKDOWN OF COUNTYWIDE SALES TAX RATE (7.75%)



- Collected at the point of sale; receipts are remitted to the State Board of Equalization
- Includes a ½-cent tax for funding local public safety expenditures (Public Safety Sales Tax)
- Additional ½-cent funds the San Diego Transportation Improvement Program (TransNet)
- Includes the property tax reimbursement as a result of the triple-flip enacted by the State in Fiscal Year 2005 (\$57.4 million)
- Supports Special Promotional Programs, County detention facilities maintenance, Centre City Maintenance (coordination of downtown events)

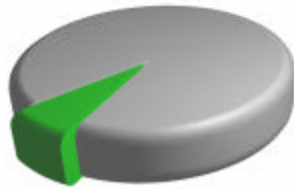
TOP SALES TAXPAYERS

Business	Type
Arco AM/PM Mini Marts	Service Stations
Best Buy Stores	Furniture/Appliance
BMW of San Diego	New Car Dealer
Chevron Service Stations	Service Stations
Costco Wholesale	Department Store
Fry's Electronics	Furniture/Appliance
Hanson Aggregates	Building Materials
Home Depot	Building Materials
IDEC Pharmaceuticals	Chemical Products
IKEA San Diego	Furniture/Appliance
Kearny Mesa Toyota Service	Auto Parts/Repair
Lexus Kearny Mesa	New Car Dealer
Mercedes-Benz of San Diego	New Car Dealer
Mervyn's Dept Store	Department Store
Mossy Ford	New Car Dealer
Nordstrom Dept Store	Department Store
Pacific Honda	New Car Dealer
Ralph's Grocery Co	Food Markets
Robinsons May Dept Store	Department Store
Sea World	Miscellaneous Retail
Shell Service Stations	Service Stations
Target Stores	Department Store
The Home Depot Supply	Building Materials
Vons Grocery Co	Food Markets
Wal Mart Stores	Department Store

Source: MBIA Muniservices Company

General Fund Revenue

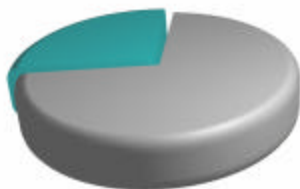
GENERAL FUND REVENUES
Fiscal Year 2007 Proposed Budget



Transient Occupancy Tax
\$72.9 million

- Transient Occupancy Tax (TOT) is levied on the daily rental price of rooms in hotels and motels used by visitors staying in San Diego for less than one month
- Current TOT rate is 10.5 percent
- Last increase of 1.5 percent became effective in August 1994
- 48 percent, the equivalent of 5.0 cents of the TOT, is allocated to Special Promotional Programs for the promotion of tourism and other purposes designated by City Council policy
- 52 percent the equivalent of 5.5 cents of the TOT, is allocated directly to the General Fund for general government purposes

GENERAL FUND REVENUES
Fiscal Year 2007 Proposed Budget



Pension
\$374.0 million

- The pension revenues are the net proceeds from the issuance of Pension Obligation Bonds (POBs). The debt service for the POBs will come from a

combination of rates to the respective City budgets and a portion of the employee pick-up.

GENERAL FUND REVENUES
Fiscal Year 2007 Proposed Budget

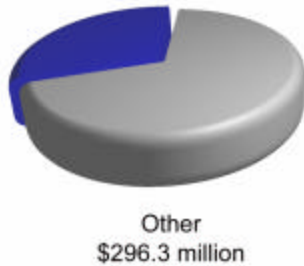


Franchise Fees
\$64.6 million

- Paid to the City of San Diego by private utility companies in exchange for permission to use the City's rights-of-way
- Charged as a percentage of gross sales
- Rates are set through Franchise Agreements with individual utility companies: San Diego Gas and Electric (SDG&E) – 3 percent, Cox Communications – 5 percent, and Time Warner Cable – 5 percent
- Three-fourths of total SDG&E franchise revenue is allocated to General Fund; one-fourth is allocated to Environmental Growth Fund
- City collects a refuse hauler franchise fee from private refuse haulers – \$11 per ton for Class I haulers (less than 75,000 tons per year) and \$12 per ton for Class II haulers (more than 75,000 tons per year)

General Fund Revenue

GENERAL FUND REVENUES
Fiscal Year 2007 Proposed Budget



- Motor Vehicle License Fees** are levied as a percentage of the vehicle purchase price, subject to depreciation. Paid annually to the Department of Motor Vehicles at the time of registration and forwarded to the State Controller's Office. Rate statutorily reduced from 2.0 percent to 0.65 percent in 2004.
- Property Transfer Tax** is levied on the sale of real property. The City of San Diego charges \$0.55 per \$1,000, which is credited against the County's charge; the City and the County both receive \$0.55 per \$1,000.
- Safety Sales Tax** is derived from a 1/2 cent sales tax resulting from the passage of Proposition 172 on November 2, 1993.
- Licenses and Permits** revenue is generated to recover costs associated with performing regulatory functions. Includes general business license taxes, rental unit taxes, parking meter collections, and the refuse collector business license tax.
- Fines, Forfeitures and Penalties** revenues are generated from monetary sanctions associated with the violation of a law or regulation such as California Vehicle Code violations, City parking and ordinance violations, and litigation awards.
- Interest Earnings** are generated from investments of the City's cash assets exclusive of City Pension Trust Funds.
- Rents and Concessions** generate revenue from Mission Bay Park, Balboa Park and Torrey Pines Golf Course. Mission Bay Park rents and concessions revenue is the largest component of this category, the majority of which is generated from leases with Sea World, Marina Village Conference Center, and hotels and marinas within Mission Bay Park. The General Fund receives 50 percent of revenue exceeding \$20 million.
- Revenue from Other Agencies** is collected by other agencies and then returned (or subvended) to the City, which includes federal and State grants and reimbursement for general City services provided to the Unified Port District.
- Transfers from Other Funds** include transfers to the General Fund from various funds and programs, such as Special Promotional Programs, to cover the costs of maintenance of tourist-oriented facilities.
- Charges for Current Services** are revenues generated by General Fund departments resulting from services provided to other City funds.
- Other Revenue** represents less than 0.1 percent of total General Fund revenue and consists mainly of refunds and revenue generated from the sale of publications and excess inventory.